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COOPERATION BETWEEN THE ECONOMIC COMMISSION FOR EUROPE AND THE ORGANIZATION ON SECURITY AND COOPERATION IN EUROPE, INCLUDING THE CONCLUDING DOCUMENT OF THE REVIEW MEETING IN GENEVA (22-24 JANUARY 1996) AND THE FOURTH SESSION OF THE ECONOMIC FORUM IN PRAGUE (MARCH 1996), AS WELL AS ECONOMIC COOPERATION IN THE MEDITERRANEAN IN THE LIGHT OF THE FINAL ACT OF THE CSCE

Report by the Executive Secretary

ADDENDUM

OVERVIEW OF THE MOST RECENT INITIATIVES ON THE MEDITERRANEAN BY THE UNITED NATIONS SYSTEM AND OTHER INTERNATIONAL ORGANIZATIONS

Organization for Security and Cooperation in Europe (OSCE)

1. The non-participating Mediterranean States have had a long-standing relationship with, and have shown keen interest in the work of, the CSCE since its inception. At the Fifth Meeting of the OSCE Ministerial Council (Budapest, 7-8 December 1995), it was decided to adopt the new terms "partners for cooperation" instead of "non-participating States" and "Mediterranean partners for cooperation" for Algeria, Egypt, Israel, Morocco and Tunisia.

2. The CSCE Budapest Document 1994 states that strengthening security and cooperation in the Mediterranean is important for stability in the CSCE region. The CSCE welcomes progress towards peace in the Middle East and its positive implications for European security.

3. The common position adopted by Algeria, Egypt, Israel, Morocco and Tunisia on CSCE-Mediterranean relations encourages the deepening of the long-standing relationship between the CSCE and its partners for cooperation.

4. Recalling the Helsinki Document 1992 and confirming subsequent relevant decisions, the participating States decided to intensify the dialogue with the five non-participating Mediterranean States referred to in the decision taken by the 25th Meeting of the Committee of Senior Officials. To that end, and in response to the interest shown by the non-participating Mediterranean States, they took the following decisions:

- To establish, within the framework of the Permanent Council in Vienna, an informal open-ended contact group to facilitate the exchange of information.

- To hold a seminar (Cairo, Egypt, 26-28 September 1995 - see below for further information) on the CSCE's experience in the field of confidence-building measures. The participating States also envisage holding future seminars on other topics of mutual interest.

- The Chairman-in-Office will conduct high-level consultations between CSCE and non-participating Mediterranean States.

- The Chairman-in-Office will invite representatives of the non-participating Mediterranean States to any meetings of the Permanent Council or the Senior Council devoted solely to Mediterranean issues, in order to consider the proposals originating with the contact group, seminars or high-level consultations.

Cairo Seminar (26-28 September 1995)

5. The Cairo seminar on the experience of the OSCE was the first time that OSCE representatives provided overall and condensed information outside the framework of the OSCE participating States about the role of the Organization in confidence-building, conflict prevention and crisis management. It stressed, inter alia, the need to involve more non-participating Mediterranean States, NGOs and representatives of the academic field.

6. Participants from the following countries attended the seminar: Albania, Armenia, Azerbaijan, Bulgaria, Canada, Croatia, Cyprus, Czech Republic Denmark, Finland, France, Germany, Greece, Holy See, Hungary, Ireland, Italy, Malta, Netherlands, Poland, Portugal, Russian Federation, San Marino, Slovenia, Spain, Sweden, Switzerland, Turkey, Ukraine, United Kingdom and United States. The European Union was also represented. Non-participating Mediterranean States were: Algeria, Egypt, Israel, Morocco and Tunisia. The Republic of Korea also participated.

United Nations Conference on Trade and Development (UNCTAD)

7. UNCTAD has a project on Technical Cooperation on Trade Relations and Economic Cooperation in the Mediterranean Region (INT/93/A34). The project aims at strengthening economic and trade cooperation in the Mediterranean region by providing technical assistance to government officials and the

private sector on market access and other trade laws of developed markets with a particular emphasis on the market of the European Union and the new European Union/Mediterranean policy in the light of the Uruguay Round, the establishment of the World Trade Organization and the launching of the new European Union Mediterranean partnership. The most important results of the project are as follows:

(a) A handbook on the trade aspects of the Mediterranean countries' cooperation agreements has been published (UNCTAD/ITD/GSP/19);

(b) Information on the preferential treatment available to Mediterranean countries under the European Union Cooperation Agreements has been integrated into UNCTAD's Trade Analysis and Information System (TRAINS).

United Nations Environment Programme (UNEP)

8. The Mediterranean Action Plan was established in 1980 within the UNEP Regional Seas Programme. Under the guidance and supervision of the Organization for Oceans and Coastal Areas Programme Activity Centre (OCA/PAC), it provides technical coordination of the Action Plan for the protection of the Mediterranean and acts as secretariat for the Action Plan and for the Barcelona Convention that constitutes the legal framework of the Action Plan.

9. The Regional Activity Centre for the Blue Plan (established in 1979) provides technical coordination of activities related to the "Blue Plan" of the Mediterranean Action Plan and technical and administrative support for these activities.

10. The Regional Marine Pollution Emergency Response Centre for the Mediterranean Sea (REMPEC-IMO/UNEP) is developing the response capabilities of Mediterranean coastal States and their cooperation in order to combat accidental pollution of the Mediterranean Sea by oil and other harmful substances, as part of the Mediterranean Action Plan.

Food and Agriculture Organization of the United Nations (FAO)

11. FAO has a wide range of programmes and projects in the Mediterranean region in several agricultural sectors such as fisheries and olive oil production. However, of particular interest to ECE is the Mediterranean Forest Action Programme (MED-FAP) and various country programmes, developed by FAO's Forestry Department in Rome. This is overseen from a political point of view by Silva Mediterranea, which reports to the regional forestry commissions of Europe (Timber Committee sister body), the Near East and Africa. This activity appears in the integrated Timber Committee/EFC programme or work, under the responsibility of EFC.

World Meteorological Organization (WMO)

12. WMO has recently been developing project proposals related to the Mediterranean region:

- Installation or improvement of a network of key stations of multisensor-equipped Data Collection Platforms (DCPs) for the collection and transmission of several variables related to water resources monitoring within the Mediterranean region.

- Detection of airborne pollutants in the Black Sea area.

- Upper air measurement to detect airborne radioactive pollution.

Mediterranean Forum

- Ministerial Meeting of the Core-Group Countries of the Mediterranean Forum, (Alexandria, 3-4 July 1994). The Foreign Ministers of Algeria, Portugal, Spain, Tunisia and Turkey launched the Mediterranean Forum for dialogue and cooperation. Working groups have been established on cultural, political, economic and social issues.

- Meeting of the Economic and Social Working Group of the Mediterranean Forum (Cairo, 24-25 October 1994). At its first meeting, the Group agreed on the guidelines and criteria for cooperation and on the following areas for cooperation in the economic and social fields: science and technology; informatics; tourism; environment; trade; investments and business opportunities, migration, human resources and social development, transport and communications.

- The Second Mediterranean Forum Ministerial Meeting (Sainte Maxime, 8-9 April 1995). The Ministers directions for economic development in the region based on the reduction of disparities, regional integration, free trade in a spirit of partnership and solidarity, and the key role of the private sector. Main subjects: tourism, environmental protection, energy and improved food security. In their deliberations, the Ministers stressed the human and social dimensions of development.

- Special session of the Mediterranean Forum Ministerial Meeting (Tabarka, Tunisia, 28-29 July 1995). The Ministers exchanged views on the Euro-Mediterranean Conference of Barcelona, referred to below.

- Meeting of the Economic and Social Working Group of the Mediterranean Forum (Valletta, 18-19 September 1995). The Group examined the following subjects and submitted its conclusions to the Meeting of Senior Officials:

(a) Review and follow-up of projects in the economic field;

(b) Exchange of views on guidelines and criteria for cooperative action, bearing in mind the human dimension of development;

(c) Exchange of views on economic and social aspects of current initiatives relating to the Mediterranean, and the future work of the Group.

13. In order to have a more comprehensive overview of current initiatives in the Mediterranean, contact and cooperation could be established with the Institute of International Affairs (IAI) in Rome and other institutes which

have been invited by the Group Forum to complement and update the Med 2000 report.

14. The IAI will undertake a study that will provide:

- a survey of all initiatives and ideas relating to the enhancement of economic and social cooperation among Mediterranean countries, sponsored by Governments, international and intergovernmental organizations and non-governmental bodies;

- a critical assessment and projection of possible future relations between the Mediterranean Forum and other initiatives for economic and social cooperation in the Mediterranean.

Mediterranean Crans-Montana Forum

15. One initiative of the Government of Malta was the Mediterranean Crans-Montana Forum (Valletta, 12-15 October 1995). The aim was to establish a permanent structure for the long-term systematic development of political, social, cultural, economic, financial and technical mechanisms of cooperation between member States of the proposed Euro-Mediterranean Area. This Area embraces not only the States of the Mediterranean littoral, including the Maghreb, but also those of the Black Sea, the south-western countries of the Commonwealth of Independent States, the Middle East, the east European countries that constituted the former Soviet Union, and the member States of the EU. A long-term objective (15 years) is to constitute the world's largest free trade zone.

World Economic Forum

- The Middle East/North Africa Economic Summit (Casablanca, 1994) The Summit enabled the World Economic Forum to build what has become perhaps the largest network of business and political decision-makers of the region.

- The Middle East/North Africa Summit (Amman, 29-31 October 1995). The primary objective was to examine in depth regional structures and policies (trade liberalization, privatization, exchange controls, capital markets) needed to develop the region's potential effectively.

Inter-Parliamentary Union (IPU)

16. Issues of security and cooperation in the Mediterranean have traditionally (since 1973) been considered during the conferences of the IPU.

17. The first IPU Conference on Security and Cooperation in the Mediterranean (CSCM) was held in Malaga, in June 1992. Since then, a dynamic parliamentary for security and cooperation in the Mediterranean has developed within the IPU, aimed at establishing a true partnership between participants in order to ensure peace and security in the Mediterranean as well as balanced sustainable development for all countries.

18. IPU has created three different baskets to handle Mediterranean issues: Regional stability; Co-development and partnership; and Inter-civilization dialogue and human rights.

19. The second IPU Conference on the Mediterranean, held in Valletta, 1-4 November 1995, recommended, inter alia, the creation of an association of Mediterranean States so as to ensure regional security and stability and to unite their endeavours in a true spirit of partnership with a view to the harmonious development of the different States. This association would have an appropriate structure for maintaining a permanent political dialogue at the intergovernmental and inter-parliamentary levels, and decision-making mechanisms in all fields of cooperation as identified, in particular, in the Final Document of the First CSCM and the Final Document of the second CSCM.

Council of Europe

20. The Parliamentary Assembly of the Council of Europe adopted recommendation No. 1249 (7 October 1994) on cooperation in the Mediterranean basin.

21. The Assembly recommended that the Committee of Ministers should include the Council of Europe's Mediterranean policy on the agenda of its next ministerial meeting and ask Ministers' Deputies, inter alia:

- to identify the existing activities with regard to the Mediterranean in the various fields of its work programme, and propose new activities touching on the issues of prime importance for this region, such as environment and regional planning, democracy and local self-government, tolerance, demography and migration, youth and historical and cultural heritage.

- to encourage, in the spirit of the Final Declaration of the Vienna Summit, cooperation in the social sciences between the northern and southern Mediterranean.

- to submit to the Social Development Fund concrete projects aimed at resolving the social problems associated with the presence of immigrants and refugees on the territories of Council member States.

- to intensify technology transfer, particularly in the field of alternative energy sources.

- to stimulate cooperation between research centres and universities and, in particular, support the European "danger sciences: risk management" training programme, one of the activities of the Council of Europe's EUROPA Major Hazards Partial Agreement.

22. From 1989 to 1991, the Council of Europe provided, within the activities of the Centre Naturopa, a wide range of information through a public campaign on the protection of the Mediterranean coasts.

23. The North-South Centre, created on the basis of the Council's Partial Agreement in 1989, with the task of raising public awareness in Europe on

issues of global interdependence and solidarity, also promotes public information and dialogue on transmediterranean interdependence and partnership.

European Union (EU)

24. The Euro-Mediterranean Partnership proposed by the European Commission is directed towards support for establishing a zone of stability and security, and creating the conditions for lasting and sustainable economic development in the Mediterranean countries. It requires a close an continuing dialogue within this zone, which embraces the Union, central and eastern Europe and the southern and eastern Mediterranean.

25. The Commission proposes the creation of a Euro-Mediterranean Economic Area, comprising as its main features the progressive establishment of free trade and closer economic integration, accompanied by adequate support from the Union for the economic and social adjustments that this will entail, as well as closer cooperation in the political and security fields.

26. The strategy marks a leap forward from the bilateral relationships the EU has developed with these countries, which greatly favour European trade interests; in 1993 Union exports to them were worth ECU 45.6bn ($59bn), against imports from them of ECU 33.2bn.

27. For financial and technical cooperation, EU aid was mostly devoted to main sectoral needs (training, rural development, etc.).

28. Since 1978, the other Mediterranean countries linked to the EU through association or cooperation agreements, can benefit from quinquennial financial protocols, including budgetary funds and loans from the European Investment Bank (EIB).

29. The fourth generation of financial protocols (1992-1996) is executing 1075 MECU of budgetary funds and 1300 MECU of loans from the EIB to the Maghreb and the Mashrak funds. 230 MECU are foreseen in 1992-1996 for all Mediterranean countries, and the EIB has 1800 MECU of loans for regional (1300 MECU) and environmental (500 MECU) action.

30. In the short term, the Commission has concluded and/or is rapidly concluding negotiations for new agreements with Israel, Morocco, Tunisia and other countries wishing to enter into new contractual arrangements as the first step towards establishing a free trade area in the region. In the medium term, the Mediterranean countries will require a substantial increase in technical and financial assistance from the EU.

31. To provide a platform for discussion of the long-term prospects for a Euro-Mediterranean partnership for economic and political cooperation along such lines, a Ministerial Conference was held in Barcelona, 27-28 November 1995. The agenda follows.

The Euro-Mediterranean Ministerial Conference of Barcelona (27-28 November 1995)

32. The Euro-Mediterranean Ministerial Conference of Barcelona discussed the long-term prospects for a Euro-Mediterranean partnership through (a) strengthened political dialogue, (b) the development of economic and financial cooperation and (c) greater consideration of the human dimension.

33. Following a series of Mediterranean conferences (Casablanca, Cairo, Barcelona, Amman), the Ministerial Conference defined the future relations for the 15 EU member States and their 12 partners of the western and eastern Mediterranean - all the Mediterranean countries, i.e. those bordering the Mediterranean Sea, plus Jordan, having concluded agreements with the Union: Morocco, Algeria, Tunisia, Egypt, Israel, Lebanon, Jordan, the Palestinian Authority, Syria, Turkey, Cyprus and Malta - the last three of which are candidates for admission to the Union.

34. The Union is prepared to support its Mediterranean partners in their efforts to turn the region progressively into an area of peace, stability, prosperity and cooperation. That calls for political dialogue, sustainable and balanced economic and social development, combatting poverty, and the need for greater understanding between cultures through a reinforcement of the human dimension in exchanges. The framework should be based on strengthening democracy and respect for human rights.

35. The Conference is expected to reach agreement on a series of economic and political guidelines for Euro-Mediterranean policy into the next century, which could be set out in a new Charter. Such a charter should be compatible with efforts supported by the Union in the OSCE and could be followed up within an institutional framework. The European Council endorsed the guidelines at the meeting held at Essen 9-10 December 1994. These guidelines are to be reviewed once a year by the Foreign Affairs Council in the light of progress achieved.

36. The Euro-Mediterranean partnership comprises the following three main aspects:

- a political and security aspect : i.e., reaffirmation of the importance, within each State, of respect for fundamental freedoms and the rule of law. Relations between countries must be guided by certain principles acceptable to all.

- an economic and financial aspect : The aim is to build a zone of shared prosperity, to establish by the year 2010 a Euro-Mediterranean economic area based on free trade, in accordance with the obligations arising from the WTO. There is a need for increased financial cooperation and the mobilization of local economic forces for a sustainable and self-engendered development, highlighting the particular role of the private sector.

- a social and human aspect : The aim is to encourage interaction with all actors of civil societies. In the context of decentralized cooperation, the emphasis is placed on education, training and young people, culture and media,

migrant population groups and health. Greater cooperation in the field of home affairs and justice is also envisaged.

37. The partnership will be supported by an EU pledge of $6bn in aid for education and structural projects over the next five years. It could be useful to know how these funds will be used. The next meeting of foreign ministers would take place in 1997 in one of the 12 east and southern Mediterranean partners. The EU and its 12 Mediterranean partners - Algeria, Cyprus, Egypt, Israel, Jordan, Lebanon, Malta, Morocco, the Palestinian Authority, Syria, Tunisia and Turkey agreed to held a series of sectoral meetings in 1996 on politics and security, economics and trade, and cultural affairs.